CABLE & WIRELESS.INC.

EX PARTE OR LATE FILED

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March 23, 1999

Magalie Roman Salas Secretary Federal Communications Commission 445 12th St. S.W. TW-A325 Washington, D.C. 20554

RE:

Ex Parte Presentation CC Docket No. 98-170 Truth in Billing

RECEIVED

MAR 2 3 1999

OFFICE OF THE SECRETARY

Dear Ms. Salas,

On March 22, 1999, Jim Petri and I met with Glen Reynolds, Dave Konuch, Warren Firschein, Anita Cheng and Mary Romano of the Common Carrier Bureau's Enforcement Division to discuss Cable and Wireless' positions in the above-mentioned docket. The attached materials summarize our presentation.

An original and one copy of this response are being filed with your office, in accordance with the Commission's rules. Acknowledgment and date of receipt are requested.

Sincerely,

Brent Olson

Senior Regulatory Counsel Cable & Wireless USA, Inc.

SINON

703-760-3865

Attachment

Cc:

Glen Reynolds
Dave Konuch
Warren Firschein
Anita Cheng
Mary Romano

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List A B C D E

CABLE & WIRELESS USA, INC.

EX PARTE PRESENTATION CC DOCKET NO. 98-170 MARCH 22, 1999



Guidelines are Preferable to Rules

- Guidelines balance the FCC's public interest goals of clearer, simpler format and presentation with carrier costs and system limitations
- Guidelines can be implemented without overhauling existing systems, and allow carriers to continue using invoices as competitive tools



Guidelines are Preferable to Rules (cont.)

- Guidelines accommodate the customized nature of carrier systems and recognize that billing systems are not uniform throughout the industry
 - A "one-size-fits-all" approach flies in the face of market realities



Guidelines Should Target Bills for Residential Customers

- Residential consumers are more at risk from unscrupulous service providers
- Many of the Commission's proposals are directed at the confusion caused by LEC third-party billing
- Businesses need and demand more detailed invoices to track costs and preserve their own competitive edge

Rigid, Prescriptive Rules Would Hinder the Ongoing Evolution in Customer Billing

- One of the FCC's main goals is to foster and preserve competitive telecom markets
- Carriers use distinctive billing capabilities to win and retain customers



Rigid, Prescriptive Rules Would Hinder the Ongoing Evolution in Customer Billing (cont.)

- Invoicing is increasingly electronic and paperless, and will continue to take formats not yet foreseen
 - Internet billing
 - Credit Card billing
 - Bills on CD-ROM and disk



Rigid, Prescriptive Rules Would Hinder the Ongoing Evolution in Customer Billing (cont.)

- Increasingly, bills include charges for a variety of communications services, including telecommunications and non-telecommunications services
- Commission guidelines must be broad enough so as not to hinder the convenience and ease of one-stop shopping nor impede developments in billing efficiency

The FCC Should Not Mandate Specific Language for USF and PICC Charges

• As contemplated by the Universal Service Order, carriers should be free to collect charges for the Universal Service Fund and PICCs in the manner that makes the most business sense for them



The FCC Should Not Mandate Specific Language for USF and PICC Charges (cont.)

• If the Commission chooses to adopt a rule, it should be focused on the prevention of false or misleading statements, not on the method that a carrier uses to collect these charges



The FCC Should Not Mandate Specific Language for USF and PICC Charges (cont.)

• If the FCC adopts safe harbor language, the language must accommodate the differences and limitations in carriers' billing systems



Response to Specific Proposals

- The ability to identify each service provider on a LEC or multi-carrier invoice should be developed
 - Requires creation of sub-CIC code for resellers
- Any guidelines adopted regarding service descriptions should be broad enough to allow continued product innovation and accommodate carrier systems



Response to Specific Proposals (cont.)

- Rules should not inadvertently constrict a carrier's options for delivering customer service
 - Allowing carriers to use the toll free number of an aggregator contractually empowered to handle minor disputes preserves competitive options





Sales Bulletins

The Universal Service Charge (USC) & Presubscribed Interexchange Carrier 1/98 Charge (PICC)

Bill Insert | Competitive Info: PICC | Q&A: PICC | Competitive Info: USC | Q&A: USC

Bill Insert

New Federal Charges Go into Effect Immediately

You will see two new line items on your long distance bill beginning with this invoice.

The "Universal Service Charge" is the result of an order issued by the Federal Communications Commission as part of its Universal Service Reform. The FCC designed the Universal Service Fund program to ensure the delivery of affordable telecommunications service to all Americans. The Universal Service Fund will be used to support access to basic telecommunications services for low-income and rural consumers, and access to advanced telecommunications services for eligible schools, libraries, and rural health care providers. The charge will be calculated as 4.9 percent of usage and fees, excluding local and in-state usage. This 4.9% rate may vary on a quarterly basis depending on how much revenue the FCC determines is necessary to support universal service programs.

If you would like more information on the Universal Service Charge, please call 1-888-873-2250. You may also visit Universal Service Administrative Corporation's website at http://www.neca.org or the FCC homepage at http://www.fcc.gov/ccb/universal service/.

The "Presubscribed Interexchange Carrier Charge" represents a new charge that the FCC requires all long distance companies to pay to local telephone companies for access to their local networks. Initially we will recover this charge as 3.9 percent of usage and fees, excluding local and in-state usage. Once all local telephone companies can provide us with more specific information, we will base this charge on the actual number of access lines or trunks that each customer has presubscribed to Cable & Wireless.

If you would like more information on the Presubscribed Interexchange Carrier Charge, please call 1-888-742-2007.

